



Company	Apex Equity Holdings Berhad [199001016563 (208232-A)]
Title	Directors' Fit and Proper Policy

Date	Updated as at 28 July 2023
Version	1.2
Document Ownership	Nomination and Remuneration Committee

Document Version Control and Update History

Version Control	Update History	
	Updated Date	Description(s)
1.0	13 June 2022	Initial Version.
1.1	20 Feb 2023	Changed company logo (no changes on content).
1.2	28 Jul 2023	Updated Company Logo.

Table of Contents

Preamble

Directors' Fit and Proper Policy

1. Applicability
2. Objective
3. Appointment and Re-election of the Directors
 - 3.1 Character and Integrity
 - 3.2 Experience and Competence
 - 3.3 Time and Commitment
4. Assessment of Fitness and Propriety of Directors
5. Review of this Policy

Preamble

The Directors' Fit and Proper Policy ("Policy") is established in accordance to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") for the appointment and re-election of directors of Apex Equity Holdings Berhad ("Apex" or "the Company") and its subsidiary companies ("Group").

This Policy is to ensure that each of the directors has the quality, character, experience, integrity, competence and time to effectively discharge his/her role as a director of the Group.

This Policy is available at the Company's website as per the requirements in the MMLR.

Directors' Fit and Proper Policy

1. Applicability

This Policy is applicable to all the directors in the Group.

2. Objective

This Policy serves as a guide to the Nomination and Remuneration Committee ("NRC") and the Board of Directors of Apex ("Board"),

- a. In their review and assessment of potential candidates for appointment as directors as well as directors who are seeking for re-election; and
- b. To improve the quality of the board and promote greater transparency in the appointment and re-election of directors, to strengthen Board independence, and to promote greater diversity and inclusivity in the Board.

3. Appointment and Re-election of Directors

Appointment and re-election of directors must fulfil the following fit and proper criteria:

- 3.1 Character and integrity;
- 3.2 Competence and capability; and
- 3.3 Time and commitment.

3.1 Character and Integrity

- a. That person must have the personal qualities such as honesty, integrity, diligence, independence of mind and fairness.
- b. Probity
 - He or she is compliant with legal obligations, regulatory requirements and professional standards.
 - He or she has not been obstructive, misleading or untruthful in dealings with regulatory bodies or court.
 - He or she has not been reprimanded or disqualified or removed by a professional or regulatory body in relation to matters in respect to his or her honesty, integrity or business conduct.

- c. Personal Integrity
- He or she is not perpetrated or participated in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct.
 - The service contract (i.e. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity.
 - He or she has not abused other positions (i.e. political appointment) to facilitate government relations for the Company in a manner that contravenes the principles of good governance.
 - He or she has no concurrent responsibilities or interest which would contribute to a conflict of interest situation or otherwise impair the ability to discharge duties and responsibilities as a director of the Company and/or its subsidiaries.
- d. Financial integrity
- He or she is able to manage his or her debts or financial affairs satisfactory or prudently.
 - He or she demonstrates ability to fulfil personal financial obligations as and when they fall due.
 - He or she has not been subjected to a judgment debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere.
- e. Reputation
- He or she has good repute in the financial and business community.
 - He or she has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years.
 - He or she has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
 - He or she has not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities both local or abroad.

3.2 Competence and Capability

- a. Competence and capability
- He or she must have the necessary skills, ability, experience and commitment to carry out the role.
- b. Qualification, training and skills
- He or she possesses education qualification that is relevant to the skill set that the director is earmarked to bring to bear onto the boardroom (i.e. a match to the board skill set matrix).
 - He or she has a considerable understanding on the workings of a corporation.

- He or she possesses general management skills as well as understanding of corporate governance and sustainability issues.
 - He or she keeps knowledge current based on continuous professional development.
 - He or she possesses leadership capabilities and a high level of emotional intelligence.
 - He or she has adequate and broad knowledge on sustainability as well as environment, social and governance (ESG) issues.
 - He or she possesses financial literacy especially the ability to read and understand financial statements.
- c. Relevant experience and expertise
- He or she possesses the relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities.
- d. Relevant past performance or track record
- He or she had a career of occupying a high level position in a comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations.
 - He or she possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.

3.3 Time and Commitment

- a. Ability to discharge role having regard to other commitments
- He or she is able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including not-for-profit organisations).
- b. Participation and contribution in the board or track record
- He or she demonstrates willingness to participate actively in board activities.
 - He or she demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom.
 - He or she manifests passion in the vocation of a director.
 - He or she exhibits ability to articulate views independently, objectively and constructively.
 - He or she exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

4. Assessment of Fitness and Propriety of Directors

- a. The NRC shall evaluate candidates for new appointment as directors based on the fit and proper criteria listed in item 3 above before recommending to the Board for approval.
- b. For re-appointment of directors, the directors will be evaluated based on the Board Evaluation Form. The NRC has the power not to recommend to the Board the re-appointment of retiring directors who do not meet the requirements of this Policy.
- c. For new appointments, the candidates are required to complete the Candidate for Directorship Profile. The candidates will also be required to complete a self-declaration of fit and proper form and authorise the Company to perform background check, if necessary, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks.
- d. The results of the assessments are part of the Group's internal documents and shall not be disclosed or provided to any other party.

5. Review of this Policy

The NRC is responsible for regular reviews of this Policy and making any recommended changes as and when necessary. The terms of this Policy shall be assessed, reviewed and updated when necessary, not more than three (3) years or when there are changes to the Malaysian Code on Corporate Governance, MMLR or any other regulatory requirements to ensure consistency with the current practice and regulatory requirements.